



NAVITUS

HEALTH SOLUTIONS™

# Formulary Development and Management

# The *Navitus* Difference:

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- Formulary decisions must be evidence-based
- The right drug for the right patient at the right time
- Strong physician, pharmacist and business input
- Net-cost minimization



# The *Navitus* P&T Committee

## State-wide representation and strong clinician input promote physician buy-in

- 9 physicians
  - Mainly PCPs (with appropriate specialty input)
- 4 pharmacists
- 1 community member
- UW System
- Medical College of WI
- Bellin Medical Group
- Gunderson-Lutheran
- Marshfield Clinic
- ThedaCare
- Dean Health System
- GHC of Eau Claire





# ***Navitus*** Formulary Development

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- Drug selection is based on the peer-reviewed literature, evaluating medications on the basis of effectiveness, side-effects and drug interactions
- Cost is tie-breaker for drugs of comparable safety and efficacy
- On a continuous basis, new drugs are reviewed to keep the formulary up-to-date and capable of meeting patient needs



# Level 3 Medications

- Medical evidence does not support use compared to other medications
- Similar to other medications, but more expensive
- Brand name medication when a generic is available





# Non-Covered Medications

- Drugs excluded by Uniform Benefits (weight loss medications)
- Drugs not medically necessary (cosmetic use only)
- Clearly inferior or gimmicky drugs (Sarafem)



# Prior Authorization

- Key drugs
  - High cost
  - Comparable efficacy, less costly alternatives
  - Potential for inappropriate use
  - Safety Concerns



# “Grandfathering” Process

- Six months of history loaded from previous health plan
- All PA and certain Level 3 drugs grandfathered for lifetime
- Other Level 3 drugs grandfathered for a period of time to allow change with minimal disruption (3-12 months)





# “Grandfathering” Process

- Patients who have had a medication covered as a result of a positive grievance process or IRO will remain on these drugs at a Level 2 co-pay



# The Exception Process

- Medical necessity list
  - Altace
  - Novolog Pens
  - Prevacid Granules
  - Strattera
  - Tamiflu



# The Exception Process

- Navitus will review requests to allow a Level 3 medication to process at a Level 2 co-payment:
  - Tried and failed all of the formulary alternatives
  - Physician writes a letter on member's behalf
  - There is objective documentation that supports the request (lab tests, blood pressure readings, specific drug interactions)





# The Exception Process

## Areas of concern:

- DTC has had considerable impact on consumer expectations
- Time pressures on clinicians limit their ability and motivation to discuss formulary issues with patients
- Objective exception decisions are difficult to make



# Grievance Process

- **Navitus Grievance Committee**
  - Requests for coverage of a Level 3 drug at a Level 2 co-payment, for drugs that are therapeutically equivalent.
  - Requests for coverage of non-covered drugs that are not specifically excluded in Uniform Benefits
  - Requests for coverage of drugs which were not approved for coverage via the prior authorization process



# QUESTIONS?

